



Main premises for Business benefits and growth

Market analysis Specification and model gr Quality analysis
Assistants for CAD/CAE Assistants for E/E design

CR analysis Production planning

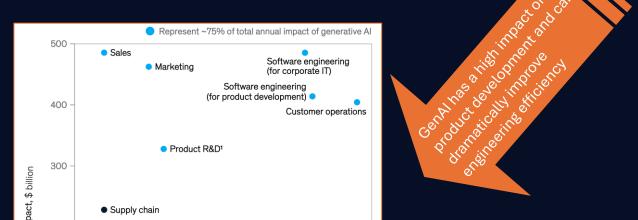
Field analysis / DDE

Test data generation

est case & plan generation

Using generative AI in just a few functions could drive most of the technology's impact across potential corporate use cases.

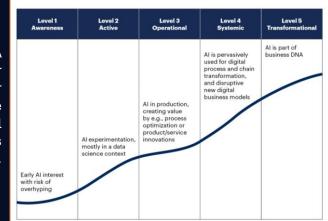
Evaluation by Efficiency Potential, Feasibility and Effort



2 Businesses' AI maturity model: different models similarly defined: From immature to strategic implementation

Al Maturity Model

Gartner organizes businesses' IA maturity into five levels, from static or "one-off" limited implementations or trials, through to transformative implementation at the organizational level designed to support business goals and objectives



KPMG organizes usinesses' IA maturity into five levels, from static or "one-off" limited implementations or trials, through to transformative implementation at the organizational level designed to support business goals and objectives



Cost reduction with little

process focus



- Cost reduction with process
- Emergence of proofs-ofconcepts of automation within
- functions Scope of technology is limited
- enterprise resource management processes Intelligent automation set-up in pilot, e.g. in the form of a CoE

12 month target

Digitized tasks fall outside of

- across functions using a narrow scope of solutions and processes
- Presence of machines with process focus
- Usage of technology aligned to

Coordinated processes,

and adaptability

Insight focus

becomes mature

technology, governance, and

deployment of automation

Presence of machines for

Ongoing rationalization of

technology as ecosystem

multi-channel delivery for scale



- automation COE for enterprise Multi-functional, multi-channel
- business service delivery synced end to end
- Full range of intelligen automation options Wide range of intelligent
- Transactional, expert, and automation options analytic services - Widespread functional
 - Business outcome-oriented governance
 - Enterprise deployment
 - Responsive adaptation of machine deployment

Ref: McKinsey&Company: The economic potential of generative Al. The next productivity frontier. June 2023

Source: Comparative Industry Service (CIS), IHS Markit; Oxford Economics; McKinsey Corporate and Business

Functions database: McKinsey Manufacturing and Supply Chain 360; McKinsey Sales Navigator; Ignite, a McKinsey

200

100

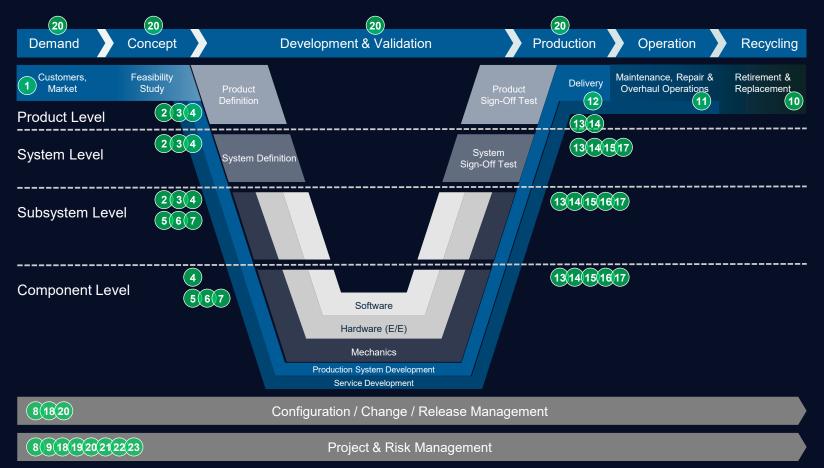
¹Excluding software engineering

database; McKinsey analysis. McKinsey & Company

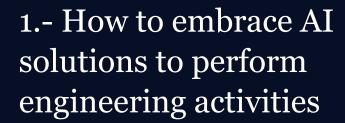
ONTT Data

GenAI use cases in Engineering

- 1: Market analysis
- 2: Requirements analysis
- 3: Specification and model generation
- 4: Quality analysis
- **5: Assistants for CAD/CAE**
- 6: Assistants for mechanical design
- 7: Assistants for SW development
- 8: CR analysis
- 9: Production planning
- 10: Lifecycle management
- 11: Field analysis
- 12: Homologation



- 13: Analysis support
- 14: Test generation
- 15: Test data generation
- 16: SiL test automation
- 17: Test optimization and simulation
- 18: Cost estimation
- 19: Supplier selection
- 20: Process automation
- 21: Risk management
- 22: Project planning
- 23: Knowledge management





With an organized AI embracement approach, organizations change from incipient trial stages like the 1st or 2nd ones below to the 3rd one:

- 1st.- Al Use Cases with **isolated** methods and tools by individuals; with not clear measurable improvement of employee efficiency
- 2nd.- Workflows with **Automated** task flow, pre-orchestrated by code; and now Improving methods and individual processes
- 3rd.- Agentic Product/System Development Process, now with Autonomous execution of tasks and tools without pre-defined sequence or iterations; now Improving overall Product/System Development Processes.





Stages and challenges for embracing GenAI

Organizations at this stage are beginning to recognize the potential of Al. Interest is sparked, but practical experience with Al is limited.

Challenges:

- Overcoming initial skepticism and building a basic understanding of AI capabilities and limitations.
- Where to start and how to align AI with existing business processes..

Defining the strategic Vision Assess Current Capabilities

At the peak of AI maturity, companies are not just using AI to improve existing processes but are leveraging it to drive major business transformations and create new business models.

Challenges:

- Sustaining a culture of innovation and continuous improvement.
- Continuously maintaining ethical considerations and societal impacts of AI, ensuring responsible and transparent use of technology.



Driving Business Transformation with AI. Ethical AI Deployment, and Governance

1. Initial 2. Experimentation **Exploration** and Pilot Projects 5. Transformation 3. Operational and Innovation Integration 4. Strategic Adoption

Al is no longer seen as just a tool but strategically. It is deeply embedded in the company's strategy, driving business decisions, innovation, and competitive advantage. Challenges:

- · Maintaining momentum in Al adoption, continuously innovating.
- Ensuring that AI initiatives remain aligned with the evolving business strategy and market conditions is critical.

Aligning AI with Business Strategy.
Invest in AI training for employees.

Companies start small-scale AI experiments, typically in the form of pilot projects. This stage is about testing it, learning from practical experience, and understanding the implications of AI for the business.

Challenges:

- selecting the right pilot projects that can provide meaningful insights without overwhelming resources
- managing expectations, as early experiments may not yield immediate or significant results.



Selecting and Managing Pilot Projects.

Developing Internal AI Expertise.

Successful pilot projects lead to the integration of AI into operational processes. AI begins to play a more significant role, enhancing efficiency, and contributing to decision-making. Challenges:

- Integrating AI into existing systems and workflows can be complex, requiring not just technical adjustments but also cultural shifts within the organization.
- Ensuring that employees are on board and adequately trained to work alongside AI systems is crucial
- E.g. new AI organizational responsibles, special IT technology

Integrating AI into Business Processes.

Scaling AI Initiatives.



Stages and challenges for embracing GenAI

Talent & Culture

Extend and personalize training

Role Evolution

People first. Change Management

Productive Model

Toolset Agentic evolution
From tool adoption to real P&L impact

Value Development

Customer Value Creation. From GenAl to Agentic Engagement Models

Internal Processes

From Human Centric to Agentic driven
Organization scalability







Generative AI to boost productivity at NTT Data

Business need

In line with our strategy of early and wide adoption of cutting-edge trends, we are focused on hyper-automation, Generative AI, Agentic AI...

Our mission is clear: OnePlatform, OneStrategy, OneCompany

NTT Data develops SW applications for multiple sectors, including maintenance services. In addition, and as an example of activities related to engineering, we perform ISVV projects for ESA's space programmes, so faces challenges with:

- Time-intensive, manual activities when datapackages arrive to be performed in short er and shorter time.
- A need to streamline processes to increase speed, accuracy, and efficiency.

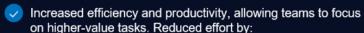
Solution

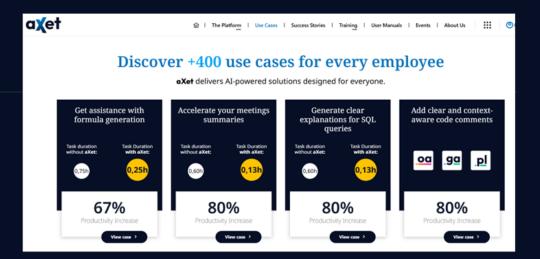
The Al Inside Transformation COE team leads this transformation, equipping our global teams with the tools, knowledge, and vision to integrate Al into our daily operations and future goals.

NTT DATA Developed the AXET framework that helps ALL employees no matter their role and responsibilities:



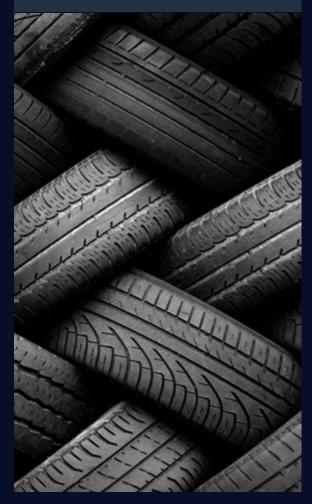
Outcomes











Case study | Continental | Germany | Automotive

Generative AI to boost productivity at Continental

Business need

Continental's R&D division, particularly within the Automotive **User Experience (UX)** business unit, faces challenges with:

- Time-intensive, manual extraction of regulatory and client requirements and Manual classification of requirements across various dimensions, leading to inconsistencies.
- A need to streamline processes to increase speed, accuracy, and efficiency.

Solution

NTT DATA Developed the **AI Shadow**, which automates critical R&D processes at Continental using Microsoft Azure's AI capabilities. The solution addresses:

- Automated Requirements Extraction: Reducing manual input by extracting atomic requirements from documents.
- Requirements Classification: Multi-dimensional categorization of requirements to ensure accuracy and compliance, e.g. regarding safety relevance.
- Automated Feature Mapping: Faster and more accurate mapping of requirements to product features incl. generation of feature plans.

Outcomes

The Al Shadow Value Discovery PoC has produced the following results:

Increased efficiency and productivity, allowing teams to focus on higher-value tasks. Reduced effort by 50%.

- Estimated savings bigger than 1M€ in operational savings.
- Shift engineers from reading documents back to engineering tasks and increase development efficiency.
- Enhanced compliance with regulatory and safety standards, improving product quality.

1000

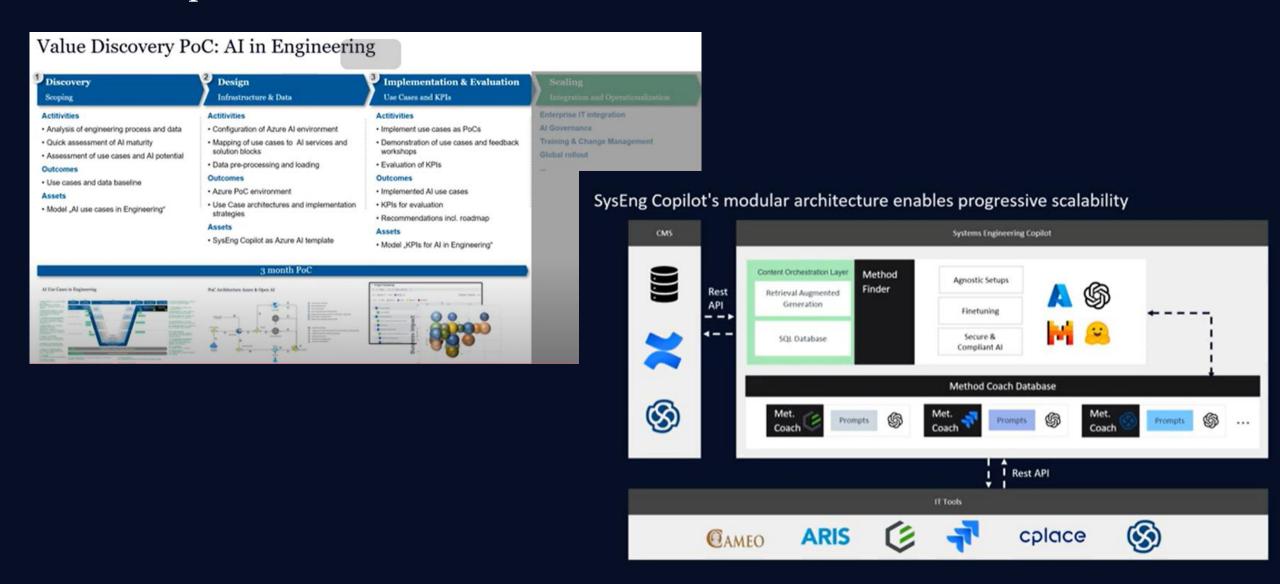
There is nothing more to add, as it has already been stated multiple times – the results, and especially the collaboration with you and your <u>team</u>, <u>were outstanding! Continental</u> is impressed by NTT DATA's ability to translte our complex needs into practical, scalable solutions.

Michael Sicker, Director R&D Transformation, Continental









2.- Effects to ECSS



Using GenAl support, we:

- » Benefit by, for example, increasing productivity, efficiency, focus and happiness? of the team, by increasing the quality of the result, faster time to market and increase the innovations and market growth of companies.
- » Need an initial ramp-up learning curve for its incremental and careful adoption, cultural changes are not always popular nor fast, each organization needs its own way,

We are sure ALL of you will adopt it very soon. Let's not miss the wave!

In European projects we need to comply with project tailored ECSS standards. But when using GenAl, we need to comply with **other added** international regulations related to GenAl (e.g. EU Al Act: first regulation on artificial intelligence¹; Data privacy/security regulations²; etc). More regulations about the use of GenAl are coming.

Only focusing on ECSS in projects:

- How are ECSS standards requirements implementation affected?
- How are the different engineering activities to be performed now by engineers?
- What is the quality level of the resulting work products?
- Do we need tool qualification and how much can we do?

2 Generative Al and the EUDPR. First EDPS (European Data Protection Supervisor) Orientations for ensuring data protection compliance when using Generative Al systems 03 June 2024 24-06-03 genai_orientations_en.pdf

¹ https://www.europarl.europa.eu/topics/en/article/20230601STO93804/eu-ai-act-first-regulation-on-artificial-intelligence

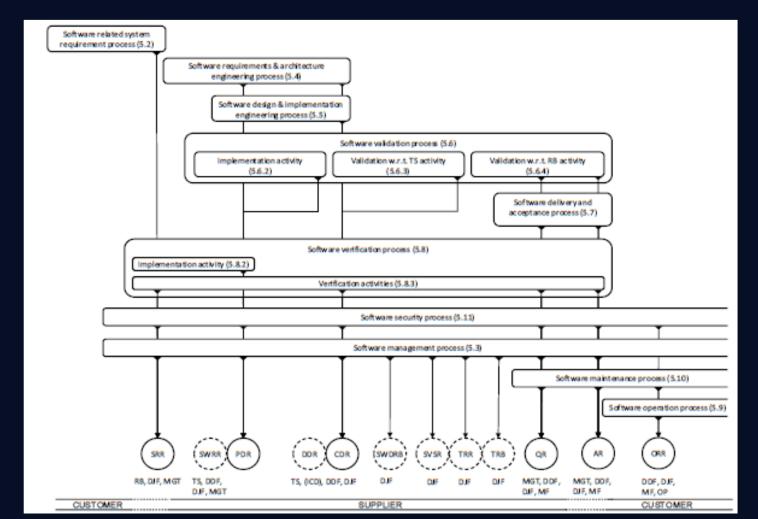
2.- Effects to ECSS



How are ECSS standards requirements implementation affected - today?

Depending on the level of use of GenAI, ECSS manual activities/requirements can vary from being just supported to be 100% automatized.

e.g. ECSS-E-ST-40 rev1



SAMPLE PROCESSES...

2.- Effects to ECSS



How are ECSS standards requirements implementation affected - today?

For the requirements definition and analysis process, we can:

- -> automate requirements definition
- -> automate requirements completeness, consistency verification
- -> a thorough technical MANUAL review will be needed for ensuring appropriateness and feasibility

For the architectural definition process, we can:

- -> automate some diagram and block/components definition -> today not proper AD can be defined YET! without an 'intelligent agent'
- -> an agentic can be developed to create the AD using SYSML v2 (the textual outputs of SYSML v2 can help in automatize/parametrize variability when product lines are concerned)
- -> a thorough technical MANUAL review will be needed for ensuring appropriateness and feasibility

For the detailed design definition process, we can:

- -> today not proper DD can be defined YET! without an 'intelligent agent'
- -> Reverse engineering is always possible from code

For the coding and unit verification, we can:

- -> Automatic code generation
- -> Verify completeness and consistency
- -> automatic UT test case generation, test scripts generation and UT execution
- -> automatic code static analysis
- -> automatic identification and creation of SPRs

For the code integration and IT, we can:

- -> automatic IT test case generation, test scripts generation and IT execution
- -> automatic identification and creation of SPRs

For the validation, we can:

- -> automatic validation test case generation, test scripts generation and execution
- -> automatic identification and creation of SPRs

Etc



When performing SPA process, we can:

- -> automate some quality checks -> but still need reviews and checks to ensure the engineering activities
- -> For safety and dependability analyses only some support is possible -> an agent may be created for SFMECA, SFTA analyses -> but still need MANUAL inputs, reviews and checks
- -> For processes checks no support is yet provided



The following aspects will be a MUST:

- → Solutions to be developed ad-hoc need some time and effort
- → Tool qualification -> waiving some ECSS requirements
- → Organizational aspects:
 - Shift of paradigm: Al/ML/GenAl embracement, agents and infrastructure development and maintenance
 - Engineers training and IT support group expertise and skills

3.- Conclusions



- AI/ML and GenAl are here to stay: it is now 'needed' and used by everyone even kids. Often said as 'it is here to stay as when Internet appeared it stayed'
- AI/ML and GenAI can be used for space SW Engineering
- QA level of resulting SW is not jeopardised
- Paradigm change at organizational level Organizations shall not loose current wave.
- Important benefits are real and measurable
- Embracement is to be performed incrementally although not for free
- Many ECSS requirement stay
- Different story is when incorporating ML in the operational SW.

